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August 23, 2018

Joan E. McInerney, MD, MBA, MA, FACEP Network Director New York/New Jersey VA Health Care Network 130 W. Kingsbridge Road, Building 16 Bronx, NY 10468

Re: The VA should not close the Amherst, NY ADHC facility

Dear Dr. McInerney:

I have asked my staff to review the facts regarding the proposed closure of the Veterans Administration Adult Day Health Care (ADHC) facility in Amherst, NY. Based on the evidence we have collected from a number of primary sources, the decision to close this operation is not justified. Further, the rollout of this change for vulnerable veterans and their families has been badly mishandled by the VA Western New York Healthcare System, with inaccurate, confusing and contradictory information provided to veterans and their families and other program stakeholders, including my own office.

I write today to advocate that the VA continue this existing program by extending the current lease temporarily, and on a longer term basis make arrangements to continue this existing program at the same site or at an alternate site. The action I propose will be better for the veterans and the families involved, and a better financial proposition for the government.

On July 11 of this year, I received correspondence from the VA WNY Healthcare system indicating that the lease had ended, that the VA and the landlord were operating on a month-to-month basis and that the program would be "the last tenant in the building prior to it being demolished." A communication containing the same language was shared with veterans and their families by the VA, and, similarly, a spokesperson for the system told the *Buffalo News* (August 9) that the landlord had decided to demolish the building. Subsequent to receiving this correspondence, my office reached out to the landlord, who indicated that they have no immediate plans to demolish the structure, and they were adamant that they would never be "chasing veterans out" of their building. Further, the landlord indicated in that same *Buffalo News* story that they did not intend to demolish the building, as it was "structurally in good"

shape." Now, the landlord is indicating publicly that they are prepared to offer six months without rent to the VA while the VA considers its options.

Numerous families of veteran clients of this program who have contacted my office have indicated that they have received contradictory information from the VA regarding why this program is closing, when it is closing, and what alternate programs will be available to them.

One of the reasons cited by the VA for this shift are financial considerations. According to a report from the Congressional Research Service, in FY 2015, VA-operated ADHC programs cost an average of \$120.53 per visit, while VA-contracted ADHC programs cost an average of \$132.40 per day. In that context – in the context that nationally VA-operated programs are less expensive than VA-contacted programs – I have cause to question the validity, thoroughness and soundness of a supposed real estate analysis conducted by the VA in 2016 which informed this decision. The VA has indicated to my office that the current facility is class "B" space and the landlord has indicated to me that the current cost is \$22 per square foot. Further, the VA indicated to my office that its analysis indicated that the new cost would be "three times the existing rate." This supposition is absurd on its face to anyone who has any familiarity with the Buffalo real estate market. The most expensive Class A medical office space advertised for rent in Western New York, in a new tower in downtown Buffalo, physically connected to a medical school and two hospitals, is \$30 per square foot. Suburban strip mall space of the type required for this program can be rented for almost half that.

Congress authorized Adult Day Health Care programs through the Veterans Millennium Health Care and Benefits Act of 1999 based on the recommendations of the Federal Advisory Committee on the Future of VA Long-Term Care precisely because programs like this keep veterans out of more expensive nursing homes and reduce the incidence of repeated hospital stays. This specific program in Amherst, NY is successful, it is working, and it is demonstrably helping veterans and their family caregivers in a way that contracted programs with different levels of service and non-veteran clients cannot. This program is not "broken" and does not need to be "fixed." I urge the VA reverse this unfortunate and ill-advised decision.

Thank you very much.

Sincerely,

Brian Higgins

Member of Congress